

# MAINE WORKERS' COMPENSATION BOARD COMPLIANCE AUDIT REPORT

June 28, 2000

City of Bangor  
73 Harlow Street  
Bangor, ME 04401

**Claims Covered by Audit:** 1999 Dates of Injury

**Companies Covered by Audit:**

City of Bangor Self-Insured/Self-Administered (S705)

**Examination by:** Marlene Swift, Auditor  
Noreen Lyons, Auditor

**Reviewed and Approved by:** Steven Minkowsky, D.D.B.A.

The results of the audit and the procedures followed have been explained to:

<b>Name:</b>	<b>Title:</b>	<b>Date:</b>
Polly Goding	Claims Manager	Various

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## DETAILED CLAIM INFORMATION

**CONFIDENTIAL**

## SUMMARY

The Audit Division of the Maine Workers' Compensation Board examined a sample of 100 claim files for the period under examination (1999) to determine compliance with statutory and regulatory requirements in the following areas:

- Form filing
- Timeliness of indemnity payments
- Accuracy of indemnity payments

Of the 100 claim files audited, there were 15 "lost time" claims and 85 "medical only" claims.

Our audit revealed:

The City of Bangor is self-insured and its workers' compensation coverage is self-administered by Polly Goding.

As part of the contracts the City has with its employees, salary continuation is provided to supplement workers' compensation benefits. This benefit is provided to most employees during the first ten weeks of incapacity resulting from a work-related injury, but is not limited to ten weeks for firefighters.

The salary continuation benefit ensures prompt initial payments to injured employees and uninterrupted weekly payments thereafter.

- Form filing compliance was found to be 100%.
- All indemnity payments were timely.
- No problems were identified in the methods used to determine average weekly wages.
- Two employee's compensation rates were incorrectly charted in the benefit table. Neither of these errors adversely impacted the affected employees.
- An error was identified in the method used to calculate partial benefits. This error resulted in overpayments of non-taxable workers' compensation benefits. The correct method was explained to Ms. Goding on June 15, 2000 and it will be used from that point forward.

## INDEMNITY BENEFITS

### A. Prompt Initial Payment of Benefits

			1999	
			Number	Percent
Check Mailed Within:				
0-14	Days	<b>Compliant</b>	6	100%
Total Due			6	100%

### B. Prompt Subsequent Payment of Benefits

			1999	
			Number	Percent
Check Mailed Within:				
0-7	Days	<b>Compliant</b>	6	100%
Total Due			6	100%

### C. Accuracy of Average Weekly Wage

			1999	
			Number	Percent
Calculated:				
Correct		<b>Compliant</b>	5	100%
Total			5	100%

### D. Accuracy of Weekly Benefit Rate

			1999	
			Number	Percent
Calculated:				
Correct		<b>Compliant</b>	3	60%
Incorrect			2	40%
Total			5	100%



## FORM FILING

### A. First Report (WCB-1)

		1999	
		Number	Percent
Received at the Board:			
Filed	<b>Compliant</b>	17	100%
Total		17	100%

### B. Wage Statement (WCB-2)

		1999	
		Number	Percent
Received at the Board:			
Filed	<b>Compliant</b>	5	100%
Total		5	100%

### C. Schedule of Dependent(s) and Filing Status Statement (WCB-2A)

		1999	
		Number	Percent
Received at the Board:			
Filed	<b>Compliant</b>	5	100%
Total		5	100%

### D. Memorandum of Payment (WCB-3)

		1999	
		Number	Percent
Received at the Board:			
Filed	<b>Compliant</b>	5	100%
Total		5	100%

## FORM FILING (Continued)

### E. Discontinuance or Modification (WCB-4)

		1999	
		Number	Percent
Received at the Board:			
Filed	<b>Compliant</b>	5	100%
Total		5	100%

### F. Notice of Controversy (WCB-9)

		1999	
		Number	Percent
Received at the Board:			
Filed	<b>Compliant</b>	4	100%
Total		4	100%
Medical Only NOC		2	

### G. Statement of Compensation Paid (WCB-11)

		1999	
		Number	Percent
Received at the Board:			
Filed	<b>Compliant</b>	5	100%
Total		5	100%